RV BUSINESS

SEPTEMBER 3, 1990

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CHALLENGE OF THE CHASSIS: RV-chassis suppliers are competing more fiercely than ever in the slow market of 1990-1991. The result is better pricing and a wider range of products.

Fleetwood to Market Truck Camper This Fall

Fleetwood Enterprises Inc. will test-market a conventionally styled "Caribou by Fleetwood" truck camper this fall in the U.S. Northwest, company officials confirmed at the end of July.

And, if all goes well with sales of those self-contained units, Riverside, Calif.-based Fleetwood will probably expand its offerings to nine models and assemble a coast-to-coast dealer network for distribution of its new line of midpriced aluminum-skinned slide-ins.

"If it's as successful as we anticipate that it will be, we'll introduce it on a national scale, perhaps region by region," said Bob Burns, marketing manager for Fleetwood's RV Group. Burns said initial production would be of 11½-foot standard units and extended-cab models tailored for larger dual-wheeled domestic pickups.

Coming as it does, only a few months after Fleetwood acquired the Coleman brand of folding camping trailers, the announcement of Fleetwood's entry into the truck-camper market raises the question of whether the industry's market-share leader is headed toward becoming a full-line RV manufacturer like Coachmen Industries Inc., Elkhart, Ind. Company officials had no comment regarding that possibility.

The self-contained Caribou, available with optional generator and air conditioning, will be built at Fleetwood's Pendleton, Ore., plant and should be on dealer lots this month. It will be

continued on page 10

Chrysler Develops Quality-Control Program for Van Converters

Chrysler Corp., Highland Park, Mich., has been developing its own approach to quality control for its pool van converters, although its program differs in style from those recently developed by its competitors – Ford Motor Co. and General Motors Corp.'s Chevrolet and GMC divisions.

Chrysler already has sent out guidelines to van converters, followed up by a more detailed breakdown of the automaker's standards for converters. Now, the company has begun sending a factory team around to upfitters to make sure they comply with its guidelines.

Overall, the company is leaving it up to converters to develop an internal program of incentives for employees to turn out quality vans. But it wants an in-depth, written description of exactly what those programs are and how converters will im-

continued on page 12

New Starcraft Chief Discusses Future Goals

Indiana NRVTI Lines Up State Funds

Rockwood Debuts Revamped '91 Product Lineup

President of Champion Resigns

Be... ...ires Co... ...ampers

USA Motor Offers Custom Motorhomes

GM Improves '91-Model Truck Powertrains

Lake Capital Offers 1991 Komfort Trailers

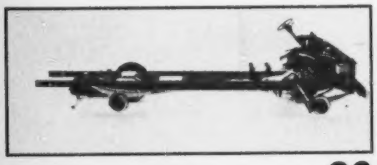
Winnebago Expands Brand Licensing

Horizon Inc. Formed to Make Fivers, Minis

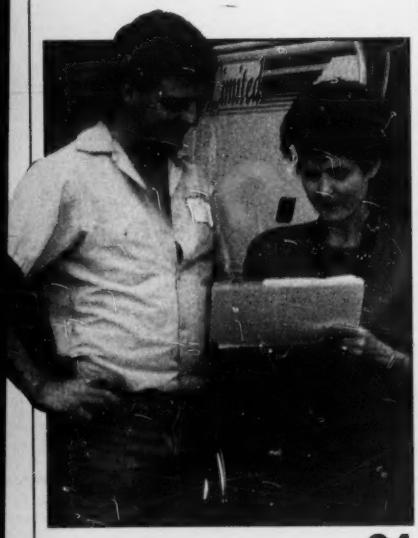
Fedders to Buy Emerson

RV BUSINESS

VOLUME 41, NUMBER 11 SEPTEMBER 3, 1990 TWO DOLLARS



26



34

COVER ILLUSTRATION: ROY MONTIBON

NEWS AND TRENDS

Industry News ____ 7

RV People ____ 14

DAB Perspective ____ 18

FEATURES

Harrisburg Pre-Show Guide ____ 22

This quick preview of the Pennsylvania Recreational Vehicle and Camping Association's RV Expo '91 in Harrisburg, Pa., features a calendar of events and exhibitor lists to help show-goers plan their visit.

Challenge of the Chassis ____ 26

As RV-chassis sales remain relatively flat, chassis suppliers are jockeying for market share with better pricing and a range of new products. Trends include a growth in the small-chassis area, hot competition among larger-chassis makers, an increasing role for Chrysler Corp.'s Acustar subsidiary and continued strength in niche markets.

DEPARTMENTS

Dealer Concept ____ 34

Marketing ____ 38

Profitmakers ____ 40

Calendar ____ 43

In Brief ____ 46

Readers' Forum ____ 50

Classified Advertising ____ 52

Index to Advertisers ____ 53

Commentary ____ 54

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RV SALES HOLD STEADY IN JUNE

GAYLORD MAXWELL

This past June was pretty much even with June of 1989 in retail sales, according to the Dealer Advisory Board (DAB). In fact, in some respects, it was better than last year.

Although the total sales volume for the group was down slightly from last June, 12 individual members were up, compared with 10 down. New-unit sales were up 5%, and used units nosed out last year's figure by 1%. Three of the five categories of RV types were up in new-unit sales, and four were up in used.

New-unit profits were varied but tended to be a bit more weighted on the high side. Used ratings were generally good. Grosses also were generally good, and bottom lines weren't bad.

New inventories were apparently running a bit on the high side in June, while used units weren't as plentiful. Lot traffic was generally rated to be low, as was the percentage of new buyers.

Year-to-date figures improved with the June report. Overall sales volume and unit sales for the first half of this year were very close to last year's tally.

After a bitter struggle in the early months of the year, it appeared that dealers generally were doing better during the summer months. Over half of our DAB entered the plus column for year-to-date sales volume. No particular size of dealer seemed to have a definite edge over last year, but several of the middle-size dealers were doing quite well, whereas only one major member had higher numbers than last year.

Things are looking up.

Motorhomes

Dealers of this type are still struggling. Only four out of 18 motorized dealers on our DAB managed to sell more new units this June than last. Even used sales were off the mark for the month. Profits on new units were rated as fair to good, while used-unit grosses were about the same.

No one had any explanation for why trailers are on a roll, but it's happening.

Year-to-date, the picture was about the same for new units; however, used sales were running quite a bit better for the first six months of the year.

The only factor that might make the picture a little more positive in the coming months is the fact that many manufacturers are bringing out less-expensive lines and will focus more on smaller price tags.

Travel Trailers

Trailer dealers are still riding the crest of a sales wave: June was almost up with the 20% pace set for the year-to-date. Sixteen of the 19 DAB members selling travel trailers were ahead of last June in terms of new units sold, and used sales were also in the plus column.

Profit ratings were generally marked as good for both new and used. No one had any explanation for why trailers are on a roll, but it's happening—and it is a trend that was long overdue.

Truck Campers

There wasn't any bright light showing for this category. June's new-unit sales were still off for our DAB members who sell that type of RV. Only one of the three large dealers beat last June's new-unit numbers. However, used units seemed to be selling well. The numbers for both June and the year-to-date showed that.

Profits were rated as varied, ranging from low to excellent. Apparently, we aren't going to see any significant change in the sales pattern for this type of RV this year.

Folding Camping Trailers

Fold-downs came into their own in June, edging out last year's numbers by 5% in new units. Year-to-date, it was almost a tie. Ten out of 14 DAB members who sell this

	NEW UNITS						USED UNITS					
	FOR MONTH			YEAR-TO-DATE			FOR MONTH			YEAR-TO-DATE		
	JUNE 1990	JUNE 1989	% CHANGE	1990	1989	% CHANGE	JUNE 1990	JUNE 1989	% CHANGE	1990	1989	% CHANGE
MOTORHOMES	151	183	−17	847	1,025	−17	153	185	−17	941	1,041	− 8
TRAVEL TRAILERS	142	121	+17	765	638	+20	124	115	+ 8	613	608	+ 1
TRUCK CAMPERS	39	49	−20	181	213	−15	28	21	+33	115	98	+17
CAMPING TRAILERS	156	131	+19	689	691	(−1	50	37	+35	187	206	− 9
FIFTH-WHEELS	65	45	+44	316	267	+18	36	28	+29	172	166	+ 4

	FOR MONTH			YEAR-TO-DATE		
	JUNE 1990	JUNE 1989	% CHANGE	1990	1989	% CHANGE
SALES VOLUME	$16,862,000	$17,981,000	− 6	$93,833,000	$96,803,000	−3
TOTAL UNIT SALES	944	915	− 3	4,826	4,953	−3
NEW-UNIT SALES	553	529	+ 5	2,798	2,834	−1
USED-UNIT SALES	391	386	+ 1	2,028	2,119	−4

The "DAB Perspective" is a compilation of data provided by *RV Business'* Dealer Advisory Board, a group comprised of 23 dealers representing a cross section of the U.S. dealer body.

Gaylord Maxwell, chairman; **Dave Altman,** Baldwin Park, Calif.; **Bob Azevedo,** Sunnyvale, Calif.; **Jack Cole,** Pacoima, Calif.; **David McMann,** Victor, N.Y.; **Cresby Forrest,** Newport News, Va.; **Dan Gamel,** Fresno, Calif.; **Jerry Greer,** Columbus, Ohio; **Jerry Harrison,** Waco, Texas; **Robert Jensen,** Layton, Utah; **Johnny Ketelsen,** Marion, Iowa; **Newton Kindland,** Orlando, Fla.; **Roger Kirschner,** Salem, Ore.; **Ozzie Lenhard,** Sayville, N.Y.; **Larry McClain,** Oklahoma City, Okla.; **Dolores McNally,** Portland, Ore.; **Annette Miller,** Fayetteville, N.C.; **Jack Morse,** Warwick, R.I.; **Wayne Peay,** Albuquerque, N.M.; **Tom Schaeffer,** Shoemakersville, Pa.; **Mel Shipp,** Chattanooga, Tenn.; **Jack Sisemore,** Amarillo, Texas; **Bill Thomas,** Bridgeton, Mo.; **Randy Thompson,** Crystal Lake, Ill.

This report is an attempt to reflect the current retail sales picture; it does not purport to indicate RV production or factory sales to dealers.

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DAB *continued*

type beat last year's monthly figures.

Profits, however, tended to be on the lower side, with more dealers rating profits in the poor column than any other.

There's no reason to believe that the sales picture for fold-downs will change this year, since most of the selling season is over—and folding trailers are definitely a seasonal product.

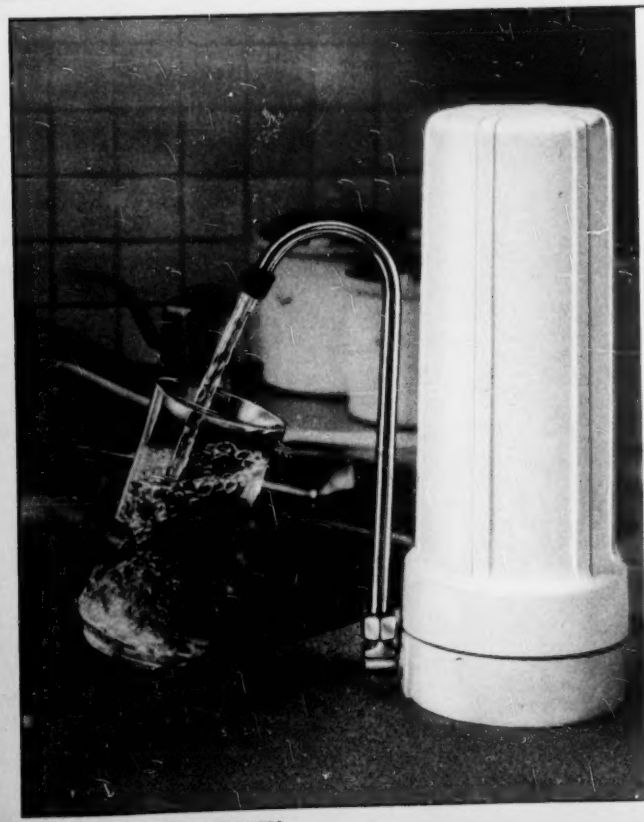
Fifth-wheels

Something good happened in June for dealers of this type of RV. Their 44% increase was indeed impressive. Ten out of the 14 DAB members who stock fifth-wheels were up in new-unit sales. Used units sold well, too.

Year-to-date figures were almost as good as those for travel trailers. It is apparent that there is still a great deal of interest in towables.

Profits were a bit mixed but mostly on the high side in June. There were four excellent ratings—more than for any other type of RV.

Fiver dealers have good reason to be optimistic. The fifth-wheel business is a game that requires a particular sales approach, but it is a very winnable game in many areas. Δ



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